

A Work Project presented as part of the requirements for the Award of a Masters Degree in Management from the NOVA – School of Business and Economics.

Effective user acquisition tactics for Startups: The case of Tuki

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Abstract

The purpose of this Work Project is to develop the most effective user acquisition tactics for Tuki, a startup that connects restaurants with job seekers in the food and hospitality industry. Using the customer validation process defined in the lean startup methodology, earned, paid and owned media tactics are tested and validated through experimentation. As per key findings, the best tactics for Tuki are job search websites and Facebook groups. The recommended implementation plan aims to increase acquisition of job seekers and grow the user database, building a scalable and repeatable business model that will lead Tuki to succeed in the market.

KEYWORDS: User acquisition; Acquisition tactics; Customer Validation

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1. Introduction

The on-demand economy, that brings together the online and offline worlds, comes as a consequence of today's increasingly digitalized world. Consumer habits are changing and nowadays one can get anything with a few clicks on the smartphone – a burger, a taxi, legal advice, and even a job.

The concept of gig economy applies this disruptive trend to the labor market. It describes a reality where long-term contracts are replaced with hires for 'gigs' or temporary positions (Graham, 2017). Workers are hired as independent contractors to temporarily perform specific tasks. In the labor market, 61% of the employers plan on converting full-time positions into free-lance or temporary ones, which suggests a growing preference for this kind of work (Friedman, 2014).

Tuki is exploiting the upcoming trend of on-demand work with a platform that provides support to restaurants and workers. It has developed two distinct services. The first is a recruitment service that helps restaurants in the hiring process. Then, there is the app for restaurant managers and workers, where it is possible to create and share schedules, communicate, get feedback and swap shifts with workers in the same or other restaurants, upon approval of the restaurant manager. In the near future, the company will merge both services into the app so that shifts can be swapped with anyone willing to work on-demand and enrolled in Tuki's database.

As an intern at Tuki and being responsible for managing the recruitment service for Tuki's existing customers, namely restaurants, it became apparent that the startup built a strong base of restaurants but was lacking a solid database of job seekers.

To grow a sustainable platform, the company needs to find the best tactics to acquire job seekers and offer a service of superior value to the customers, the restaurants. The purpose of this research is to answer the key question "What tactics are effective in acquiring job seekers in order to grow the user databases?". It will be achieved by validating the underlying hypothesis to the customer relationships building block of the business model canvas, following the iterative customer validation process. The aim is to identify the best practices to scale the user acquisition processes for Tuki as a Startup. There

are three main objectives to be met. The first objective is a situation overview, diagnosing the issue under scrutiny in this project. Then, the second objective is an issue analysis, to develop and validate acquisition tactics, by testing the hypotheses beneath those tactics. Finally, the last objective is to recommend a plan to grow the number of users and create value for the business.

2. Literature Review

The following paragraphs summarize existing knowledge on how to develop a startup, comprising the specificities of multisided platforms. Moreover, it will be explained the importance of customer and user acquisition in the process of creating a business, namely through web channels.

2.1 Startups & Startup Methodology

A startup is “a temporary organization designed to search for a repeatable and scalable business model” (Blank, 2013). Startups require specific rules and tools to face the setting of uncertainty and minimize the risks. These businesses face two major challenges: the cost of acquisition of the first customers and the extremely high cost of creating the wrong product, in case of long product development cycles (Blank, 2013). The Lean Startup Methodology (Ries, *The Lean Startup*, 2011) derived from the intent of substituting the traditional processes of elaborated planning, static processes, and blind execution, with experimentation, iterative design, and customer-centric insights, to help startups launching products wanted by the market, in less time and using fewer resources (Blank, 2012).

The approach is driven by a four-step process known as the Customer Development process (Appendix 1), firstly introduced in *The Four Steps to the Epiphany* (Blank, 2006). The first step is customer discovery, where the goal is to achieve problem/solution fit by understanding and validating the problem of the customer segment, designing a solution and coming up with a value proposition. The second step, Customer validation, verifies if the business is repeatable and scalable and if there is product-market fit. Following the search phase of customer discovery and validation, comes the execution phase that divides into customer creation and company building.

Rather than scripting extensive business plans, startups are encouraged to infer hypotheses and test

them, through the business model canvas (Blank, 2013). The model was coined by Alexander Osterwalder and is a tool highly used by startups to describe, analyze and design business models. It defines a business as a function of nine building blocks on how the business creates, delivers and captures value, and how it solves a problem, to achieve problem/solution fit (Osterwalder, 2010). Osterwalder's subsequent literature, the Value Proposition Design, discusses how to get to the product/market fit and validates that the market for the product exists, by diving into the analysis of a core building block of the business model, the value proposition (Osterwalder, 2014).

Eric Ries (2011) took the customer development process together with agile engineering to create the above-mentioned methodology that promotes experimentation, customer feedback, and iterative design, The Lean Startup. The goal is for startups to quickly deliver products that have been proven to be demanded and increase the odds of startup success, through a Build-Measure-Learn feedback loop (Appendix 2). It has three key principles: (1) Experimentation over planning: building the business by testing the experiments summarized in the business model canvas; (2) Customer Development: "Get out of the building" to test hypothesis based on customer feedback and actions; and (3) Agile Development: making use of short and responsive cycles of experimentation, the shorter the build-measure-learn loop cycle, the more learnings can be retrieved (Blank, 2013). More recently, The Startup Owner's Manual was edited as a step-by-step guide that leverages on the lean methodology (Blank, 2012).

2.2 Multi-sided platforms

Matchmakers, better known as multi-sided platforms, are services in which there is value creation through the connection between two or more customer groups (Evans, 2016). The success of these platforms lies in the substantial reduction of transaction costs for both sides, resulting in a great competitive advantage within their industry (Hagiu, 2014). For that reason, multi-sided platforms represent a big percentage of the fastest-growing businesses in recent years, such as Alibaba, Facebook, Uber or Airbnb (Hagiu A. a., 2015).

The most distinctive characteristic of these platforms is the existence of cross-network effects, the value of the platform for one customer group increases as the size of the other customer group increases (Evans, 2016) (Osterwalder, 2010). For this reason, it is fundamental for platforms to focus on growing both sides of the market from the very beginning.

2.3 Customer and user acquisition through web channels

Customer relationships is the component of the business model canvas analyzed in this project. It describes the strategies to create demand and ‘get’ customers, ‘keep’ them, and ‘grow’ the value brought to the company, the “Get, Keep and Grow” Customer Funnel (Appendix 3) (Blank, 2006).

Customer acquisition is the first step of the funnel, essential for demand creation and product adoption (Osterwalder, 2010). For platforms, the importance is greater since the value of the service is driven by the size of the user base. To create demand and acquire customers for web and mobile products, Blank (2012) recommends 2 tactics: paid and earned media.

Despite being a burden for startups with a limited budget, **paid media** offers multiple advantages that are not easily achieved with organic methods. It boosts the reach of online campaigns and ensures they are seen by the target audience (Sprinklr, 2014). The most common online advertising tools are social advertising platforms such as Facebook, Instagram, LinkedIn, and Twitter, and pay per click ads. Social ads give brands the possibility to test the best performing content, the funnel of conversion and the most impactful touch points along the customer journey (Research, 2018).

Facebook is a great advertising platform not only because it is the most popular social network worldwide (Statista, 2018) but mainly because it is the most powerful targeting tool as of now. Due to the amount of data it has access to, it is possible to choose the target audience based on location, age, gender, interests, and even apps downloaded, or events attended (Velooso, 2013).

Online “word-of-mouth” and social media networking are usually referred to as **earned media**, that includes all the publicity that a company can achieve (Blank, 2012). It is a tool greatly used to create awareness but has scale limitations (Lovett, 2016).

Owned media is an additional tactic that comprises all the web properties of the company, from websites, landing page, and blogs, to social media channels (Blank, 2012).

While there are a lot of studies on social media platforms and whether they have been effective in creating demand, there is a lack of academic research on how to leverage these platforms to achieve success. This research aims to provide guidance on the latter, by validating these tactics for Tuki.

3. Methodology

3.1 Research design

This Work Project follows a practical and structured problem-solving methodology. It starts with the identification of the company's strategic issues after thorough internal and external analysis, based on desk and exploratory research. In the internal analysis, the Business Model Canvas framework (Osterwalder, 2010) describes the current business. In addition, market trends are examined through a PEST analysis and the competitive environment is analyzed based on six relevant characteristics determinants of the competitive advantage in the industry, displayed with Harvey Balls. A SWOT analysis sums up the findings of the **diagnosis**, that folds down into a key question, to be answered throughout the project.

The research moves towards the issue **analysis and experimentation**, to develop and verify hypotheses that can be used to solve the identified issues. Consistent with the customer development process (Blank, 2013), the presented research favors experimentation over elaborate planning. The first stage establishes the user acquisition hypotheses that will later be the focus of the experiments. These are defined based on reviewed literature and insights from the customer discovery phase, previous to the current project. Then arises the stage of experimentation, where the underlying hypotheses are tested, following the Startup Machine tool (Ries, Lean Startup Machine, 2018). The process follows multiple cycles of experimentation, each one testing a different dimension of the issue. The rationale of the results is displayed in the Validation Board and the outcomes are measured against the Minimum Success Criterion (MSC), the smallest outcome that validates the success of a hypothesis (Ries,

2011).

The **recommendations** present a detailed plan for successful customer acquisition, derived from the data collected, along with the predicted impact of the tactics and customer activation guidelines as well as the resulting business model, displayed in the format of the business model canvas.

Limitations to the performed experiments are included after the results and recommendations.

3.2 Scope

The scope of the work is on the customer relationships block of the business model, to understand how to generate demand and acquire users. Furthermore, only the user side of the platform is analyzed. It corresponds to the job seekers, the underperforming side, as identified in the diagnosis. The research is restricted to the Portuguese market, where the company currently operates. The focus will be on web channels only, and the social media networks are Facebook, Instagram, and LinkedIn.

3.3 Data collection

This project applies quantitative and qualitative marketing tests to validate the demand for the product and optimize acquisition, such as ad campaigns, A/B testing and surveys.

To ensure the authenticity of the experiments, it is necessary to set up the tools for measuring the important metrics and guarantee all the user's behavior is being tracked. The acquisition is measured by the number of enrollments in a form, created in Typeform. To track conversion rates in Google Analytics, the conversion goal is set to be the enrollment in the embed form at the landing page. At the same time, there is a source feature in the typeform that records which website led to the form, to trace the source of traffic. For the same reason, the links redirecting to the landing page are set to include source, medium, and campaign, by adding URM parameters to the links. Hootsuite is the tool used to schedule and post on social media.

4. Diagnosis

4.1 Internal Analysis

Vision. Tuki's vision and goal is to be a community of support for the food and hospitality industry and this vision is reflected in every step taken by the company.

Product. Tuki provides recruitment services for restaurants, for both full-time and on-demand positions. Moreover, it is the owner of an app that allows workers to swap shifts within their restaurant and other locations and helps restaurants managing their staff with scheduling and shift-management features. Tuki is working towards combining both services into an app that can be used by anyone willing to work on-demand. The intent is to enable workers to swap shifts and get shifts covered by any user of the app. Hence, there are two parts comprised in the business: the customers, restaurants that acquire the services; and the users, that include the workers in those restaurants and job seekers that want to be enrolled in the platform and apply to jobs and on-demand shifts.

Business Model. The current business model of the startup is depicted in Figure 1.

FIGURE 1: BUSINESS MODEL CANVAS (source: own analysis)

| | | | | |
|--|--|--|--|--|
| Key partners To be defined. | Key activities Account management: <ul style="list-style-type: none">• Support with the app and collecting feedback;• Check needs for recruitment and on-demand staffing. Selection and placement of job seekers; Actively acquiring new users by posting jobs and shifts on job search websites. | Value proposition For users: <ul style="list-style-type: none">• Help to find temporary jobs and punctual shifts. For customers: <ul style="list-style-type: none">• Time-saving solutions for restaurant managers, with recruitment services plus scheduling features;• Shift coverage and management; Solves common worker shortages and allows to implement on-demand jobs;• Innovative and easy-to-use technology, that simplifies restaurant management. | Customer relationships Building strong, long-lasting relationships with restaurants, creating a trust network. Failing to engage in relationships with users. The concept of community, inherent to Tuki, is yet to be built. | Customer segments Restaurants in Lisbon with more than 5 employees that work in shifts. User Segments Job seekers living in Lisbon, between 20-35 years old, Facebook users, tech-fluent. Earning on average 1000€ or less per month. Segments divide into <ul style="list-style-type: none">• Industry workers (at least 2 years of experience);• Artists;• Students. |
| | Key resources The team: creative and proactive with complementary skills and knowledge in different areas. Financial resources are scarce and a current concern. | | Channels New customers and users are found within team's and restaurants' contact networks, plus job search websites. Scalable channels to reach customer and user segments are yet to be defined. | |
| Cost structure Human resources; Software development. | | | Revenue streams For on-demand workers: Shift swap fee of 2€ per shift, charged to restaurants; For restaurant workers: Monthly fee of 2€ per worker in the app, charged to restaurants; Recruitment service (500€ per successful hire recommended by Tuki, charged to restaurants) | |

4.2 External Analysis

Market. The startup is positioned in the food and hospitality industry. The market in Portugal is estimated to have around 28 thousand restaurants and 611 thousand workers (Tuki internal data, 2018). For the purpose of the Work Project, the industry is defined by the group of companies that supply it (Grant, 2015). While there is no other company in the Portuguese market that provides an app for scheduling and shift-management, Tuki faces competition regarding the recruitment services. The Portuguese recruitment market is worth €1.91 Million (SABI, 2018). It is shaped by political, economic, social and technological factors described in Figure 2.

FIGURE 2: PEST ANALYSIS (source: own analysis)

| | |
|----------------------|---|
| POLITICAL | <ul style="list-style-type: none"> o Employment laws have evolved to include temporary workers but have not yet embraced the on-demand reality. |
| ECONOMIC | <ul style="list-style-type: none"> o The recruitment industry is tightly linked to economic conditions. As gross domestic product increases, the demand for recruitment services grows as well. The global market for outsourced recruiting is predicted to grow at an annual rate of 17.66% from 2017 to 2021¹ |
| SOCIAL | <ul style="list-style-type: none"> o New work formats: temporary work, on-demand work, ‘gigs’, freelancing, and so on; o The industry depicts a high employee turnover, causing workers to be constantly looking for new jobs, translating in more than 500 thousand active job seekers² o There is an upcoming trend in using social media for job search, driven by the exponential increase in the use of social media: <ul style="list-style-type: none"> • As of December 2018, the number of active internet users was over 4.1 billion where 3.3 billion were active social media users³; • Facebook is still the most popular social network with over 2.2 billion active users, more than half of the global internet users and 22 times the value of 10 years ago, making it the leading social media platform for social advertising worldwide³; • In Portugal, there are 6.6 million monthly active mobile social media users, where 96% are Facebook users and half have an Instagram account⁴. o Job search websites such as Indeed, Net-Empregos, OLX, Custo Justo, Expresso Emprego, Sapo Emprego, LinkedIn Jobs and Jobrapido are still the number one channel for job seekers in the food industry in Portugal⁵. |
| TECHNOLOGICAL | <ul style="list-style-type: none"> o Online recruitment is growing and has moved past online job posts into using social media, big data and artificial intelligence. Social media is exploited not only to screen the candidates but as a recruitment channel as well¹. o Widespread usage of smartphones to perform daily tasks |

Competition. More than 700 recruitment agencies operate in the market, including global companies such as Randstad, Kelly, Adecco, and Talenter. The industry is highly segmented, with Randstad as the biggest player and several smaller ones. The restaurants make use of paid recruitment job search websites for recruitment, like the ones mentioned in Figure 2. However, these are not considered competition as they lack screening and selection, key activities in the recruitment industry.

There are several attributes that distinguish the companies within the industry and reflect their competitive positions. **Reputation** and innovation are seen as essential for businesses seeking to hire recruitment services (Valet, 2018). The **social media presence** of the brand is key in sectors where social media usage is dissipating (TechNavio, 2018). In addition, the **relationship with the customers** is fundamental, given that customers prioritize long-term relationships with the recruiters, which may represent entry barriers for new entrants (Valet, 2018). Figure 3 displays how the 4 biggest industry competitors and Tuki rank in regards to the industry’s attributes mentioned above. Tuki distinguishes itself from the competitors by offering a highly innovative service, complete focus on the

¹ TechNavio, 2018;

² Tuki Internal Data, 2018.

³ Statista, 2018































⁴ Statista, 2018; Marktest, 2017

⁵ According to a survey conducted, 200 out of 320 individuals claim to use job search websites to find a job. The interviewees were actively looking for a job in the food industry, part of Tuki’s database and acquired through different channels.

food and hospitality industry and the aim to build great relationships with restaurants. Social media is one of the pillars that the startup seeks to improve, as well as reputation.

FIGURE 3: COMPETITORS' COMPARISON ON RELEVANT INDUSTRY CHARACTERISTICS

(source: SABI database, 2018 & own analysis)

| Criteria | | Randstad | Kelly | Adecco | Talenter | Tuki | Explanation | Legend Best      Worst |
|-----------------------------|---|---|---|---|---|---|--|--|
| Market share | Business volume in proportion to industry total in 2017 | 22% | 7% | 4% | 2% | - | | |
| Reputation | Awards and customers preferences |  |  |  |  |  | Randstad, Adecco and Kelly have won multiple awards on customer satisfaction in the later years | |
| Innovation | Process and product innovations in recruitment plus digital integrations |  |  |  |  |  | Innovation lags behind in the industry, even though Randstad has been investing in projects using artificial intelligence. | |
| Social media presence | Periodicity of posts on social media (FB, IG, Twitter, and LK) and engagement |  |  |  |  |  | Social media presence is higher for Randstad that posts almost daily and uses social media to publish job offers | |
| Relationship w/customers | Partnerships and long-term relationships |  |  |  |  |  | The three biggest firms have been establishing long partnerships with big recruiting brands | |
| Focus on food & hospitality | Open job vacancies in the area, compared to all vacancies |  |  |  |  |  | None of the competitors is specialized in the food and hospitality industry. | |

4.3 Issue diagnosis

Figure 4 summarizes insights from internal and external analysis. The opportunities in the market relate to the growing trend for on-demand work, global adoption of smartphones and the increase in social media usage. Tuki must leverage its strengths, namely the innovative business model, unique value proposition and uncontested market space to overcome the weaknesses.

FIGURE 4: SWOT ANALYSIS FOR TUKI (source: own analysis)

| | |
|----------------------|--|
| STRENGTHS | Customer relationships with restaurants; Innovative software; The value proposition for customers: Unique solution in the market for shift management and on-demand hiring; Exploring new market space with no competition. |
| WEAKNESSES | Customer relationships with users; No defined channels for reaching customers and users; Social media presence; Scarce financial resources; No strong presence in the market – lack of reputation. |
| OPPORTUNITIES | Social media and job search websites to acquire customers & users; Diversifying into other industries, as competitors have been doing; Growing trends towards jobs per shifts and on-demand, plus high employee turnover; Development and integration of services in the app for smartphones, from growing smartphone adoption. |
| THREATS | Foreign competitors with similar products and better-established reputation may enter the Portuguese market; Entry barriers due to the existence of big players in the industry with long-term relationships with customers; Recruitment is highly volatile to economic conditions. |

Clearly, Tuki has been focused on developing the business for the customers, disregarding the user side of the platform. A bigger database of users is essential to sustain the business and at the same time attract new customers, due to the existence of cross-network effects (Hagiu, 2014). Additionally,

the size of the database is one of the metrics used to measure the growth of the business and show traction, which is essential to attract investment to the company and improve the financial resources. Finally, increasing the number of users and the efficiency of the communication channels is essential to start building the community envisioned by the company.

The key issue is the lack of knowledge on how to reach job seekers and convert them into users. Therefore, the next section of analysis aims to answer the **key question** “What tactics are effective in acquiring job seekers in order to grow the user databases?”

5. Analysis and Experiments

With the purpose of solving the problem identified in the diagnosis, the analysis follows Steve’s Blank customer acquisition model, to find the most effective tactics for Tuki. According to the model, one should start by using two tactics: earned and paid media (Appendix 3) (Blank, 2012), with a focus on social platforms. When applying the model to Tuki, the analysis is adapted to the specific needs of the company and the resources available.

5.1 User acquisition hypotheses

On the paid media sphere, it is assumed that Facebook advertising, pay per click ads⁶, affiliate marketing⁷, and online lead generation⁸ are effective tactics in acquiring users.

Regarding the earned media field, it is thought that posting on work seeking communities (Facebook groups and job search websites) acquires users. Another hypothesis is that optimizing the search engine⁹ (SEO) will increase conversion at the landing page, hence foster acquisition. Furthermore, encouraging people to engage with Tuki on social media, the so-called social networking¹⁰, might be a successful strategy in getting new users, as well as public relations¹¹.

The underlying hypotheses were ranked based on **impact**, that measures how significant will be the

⁶ Pay per click is a sort of online marketing that charges a fee for every time the ad is clicked, it is the model of paid search advertising of google and other search engines (Blank, 2012)

⁷ Affiliate marketing describes the process of paying a third party to generate leads to the company’s website (Blank, 2012)

⁸ Online leads generation refers to acquiring permission-based contact lists to generate leads (Blank, 2012)

⁹ Search engine optimization is the process of getting a website to appear as a primary search result in a search engine, with no payment involved (Blank, 2012)

¹⁰ Social networking concerns using social media channels to connect the brand with friends, family and other followers to increase reach and spread the business to potential users (Blank, 2012).

¹¹ Public relations consist in creating news on websites and blogs to trigger online word-of-mouth (Lovett, 2016)

change in the users acquired, and on **ease**, that measures how much effort, time and money will go into getting the hypothesis tested. The evaluation and scores are illustrated in Figures 5 and 6.

FIGURE 5: HYPOTHESES EVALUATION ON IMPACT AND EASE (Source: Own analysis)

| Hypothesis | Evaluation | Impact | Ease |
|---------------------|---|--------|------|
| Facebook ads | Useful to promote services to the target audience (Research, 2018) but costly and requires careful preparation | 10 | 4 |
| Pay per click ads | Effective in increasing traffic to the landing page but has risks associated: difficult to implement, expensive and generally blocked or ignored on the search engines (Sprinklr, 2014) | 7 | 3 |
| Affiliate marketing | It is costly, plus ads on websites are usually ignored by users (Ames, 2016) | 4 | 2 |
| FB groups & sites | Posting is easy, free and information gets delivered to the desired segment | 10 | 10 |
| Public relations | Expensive, not as relevant as social media (Blank, 2012) and it is very time-consuming (need to create relevant content and share it in the right channels) | 5 | 2 |
| SEO | Requires high technical knowledge and has little effect when the goal is to become a top page on the search engine | 6 | 6 |
| Social networking | Free, may lead to an increase in sign-ups by creating brand awareness but it is time demanding and very tough to engage with the target audience | 6 | 9 |

The highest scoring paid hypotheses (signaled in blue in Figure 6) and all the free hypotheses will be the focus of the experiments.

Tuki's team believes owned media channels such as Facebook page (FB), Instagram page (IG), and LinkedIn

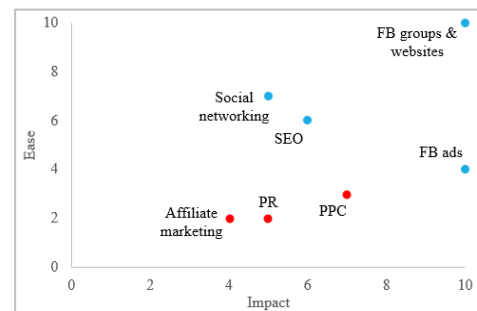
page (LK) are powerful tools for user acquisition. For that reason, this research goes beyond Blank's model (Blank, 2012) to include not only earned and paid media but also owned media tactics.

Understanding the most effective tactics to acquire users (the answer to the so-called 'what?') is the core of the first cycle of experiments. Furthermore, it is fundamental to identify what kind of message is more effective and what is the preferred channel of enrolment (the answer to 'How'), in the subsequent cycles of experiments.

As of now, Tuki communicates with users through **job posts**, the most common way to get job seekers. It is thought that **content promoting Tuki and its community** (so-called community advertise) is also effective in acquiring job seekers, by showcasing a value-added solution to the job search problem. Hence, it is tested if the effectiveness of the former surpasses the latter. In addition, it is hypothesized that posts with **video** attract more users than posts with **images** or **only text**, in both social media ads and posts, a component also included in the tests.

When creating demand, or "getting" customers through a web channel, the aim is to bring the maxi-

FIGURE 6: HYPOTHESES RANK (Source: Own analysis)



minimum number of users to the company's doorway, which for Tuki is a basic enrollment form, built in Typeform, requesting contact information. The form is available as an **external form link** (defined as form from now on), on the Facebook page through the **Facebook sign-up button**, and embed at the **landing page** (LP) (Appendix 4). Besides, it is possible to enroll (convert/be acquired) by sending an **email** with contact information. Hence, the experiments test the most effective touchpoints (or channels of acquisition). Figures 7 and 8 summarize the tactics, channels of acquisition and content experimented in the following section, as well as the hypothesized results.

FIGURE 7: HYPOTHESES AND EXPERIMENTS CYCLE 1 (Source: Own analysis)

| Hypotheses | What tactics are effective? (cycle 1) | Experiment (cycle 1) | How to increase their effectiveness? | |
|------------|--|--|--------------------------------------|----------------------------------|
| | | | Content (cycle 2) | Channel of acquisition (cycle 3) |
| H1 | Owned media | Posts on social media channels (FB, IG & LK) | n.a. | FB sign-up button; LP |
| H2 | Search Engine Optimization | Developing 6 key aspects of the LP | n.a. | LP |
| H3 | Social networking | Invite friends to like FB page | n.a. | FB sign-up button |
| H4 | Job search websites | Posts on job search websites | Job post vs community ad | Form vs LP vs email |
| H5 | FB groups | Posts on FB groups | Job post vs community ad | Form vs LP vs email |
| | | | Image vs video vs text | |
| H6 | FB ads | Ad Campaign on FB and IG | Job post vs community ad | Form vs LP vs FB sign-up button |

FIGURE 8: HYPOTHESES AND EXPERIMENTS CYCLE 2 & 3 (Source: Own analysis)

| H | How to increase the tactics effectiveness? (cycle 2) | Experiment (cycle 2) | H | How to increase the tactics effectiveness? (cycle 3) | Experiment (cycle 3) |
|-----------------|---|---|----------------|---|---|
| H4.1a H5.1a | Job search websites are effective to acquire users through community advertises | Community advertise on job search websites | H4.2a H5.2a | Users prefer to convert through LP rather than form | Post with 3 enrollment options: email, form, and LP |
| H4.1b H5.1.b | A job post acquires more users than a community advertise | A/B test job post vs comm. ad on job search websites | H4.2b H5.2b | Users prefer to convert through form rather than email | |
| H4.1c | A post with a video acquires more users than a post with an image | 3 post's design (video, image, and only text) | H6.2a | Users prefer to convert through the FB sign-up button than through LP | A/B test directing to LP vs to FB sign-up button |
| H5.1d | A post with an image acquires more users than a post only with text | | | | |
| H6.1a | A job post acquires more users than a community advertise | Ad campaign redirecting to LP, with A/B test job post vs community ad, targeting 3 segments | | | |
| H6.1b | A job post acquires more users, regardless of the target audience | | | | |

5.2 User acquisition experiments

This section presents a series of six experiments with multiple cycles, designed to test the above-mentioned hypotheses and its underlying assumptions. For free tactics, one can say an acquisition tactic is successful if at least one user is acquired (enrolls in the database) through it¹². Hence, the minimum success criteria (MSC) for cycle 1 of the first 5 experiments is set to be one. The MSC for cycles 2 and 3 are contingent to the experiment.

¹² Tuki is willing to engage in a tactic if it acquires at least one user because one additional user is already worth the effort, as long as there is no monetary cost

Owned media tactics. The first experiment concerns owned media tactics, on Facebook, Instagram, and LinkedIn pages, to confirm **H1**.

The social media posts included different content: promotion of partner restaurants, tips for job seekers, news and events related to food, and job posts¹³ (Appendices 5 & 6). The frequency was variable: in the first week and third week, the posts were daily. On the second week and fourth week, only two posts were made, on Monday and Wednesday and Tuesday and Thursday (Appendix 7). All posts were made at the time with the highest reach¹⁴, 12.30 pm¹⁵. A user could be acquired through the FB sign-up button or the landing page links in the ‘about’ sections of the social media pages.

Throughout the experiment, reach remained between 100 and 200 people and interactions¹⁶ remained below 10. No user was acquired during the length of the test, both in weeks with regular posts and weeks with few posts. Thus, **H1** is not confirmed, meaning that posting regularly on owned media channels does not acquire users.

In conclusion, at the current stage, owned social media is not an effective tool for user acquisition. Figure 9 summarizes the findings, that may be explained by the fact that Tuki’s current followers and audience do not correspond to the target audience or were already acquired. Owned media creates awareness but no acquisition - being aware of the service does not imply desire and action.

FIGURE 9: VALIDATION BOARD FOR H1 (Source: Own analysis)

| Hypothesis | Experiment | MSC | Results | Confirmed |
|-----------------------|--|--------------------|------------------|-----------|
| H1 Owned media | Posts on social media channels (FB, IG & LK) | Acquire 1 new user | 0 users acquired | NO |

Social media networking. The experiment to test **H2** was to get all the members of Tuki’s team to invite their Facebook friends to like the page. Before, the number of likes of Tuki’s Facebook page was 130. Given the experiment, the number increased to 235 in three weeks. Despite the increase in the number of likes, the reach and enrollments remained unchanged (Figure 10). In sum, social networking is a useful tactic to increase followers and create awareness but not to acquire users.

¹³ The goal was to create and share content in the interest of job seekers

¹⁴ Reach represents the number of people who see the post/ad at least once

¹⁵ The time was determined as per Facebook insights on the best time to post according to the page’s followers, a tool available on Tuki’s Facebook

¹⁶ Interactions include likes, shares and comments

FIGURE 10: VALIDATION BOARD FOR H2 (Source: Own analysis)

| Hypothesis | Experiment | MSC | Results | Confirmed |
|-----------------------------------|---|--------------------|---|-----------|
| H2 Social media networking | Everyone on the team invited their friends to like the page | Acquire 1 new user | Increase of 81% in likes; No users acquired | NO |

Search engine optimization. The experiment aimed to increase the organic traffic to Tuki's landing page, hence increasing user acquisition. The optimization meant developing six key aspects of the landing page: (1) creating a unique, accurate page title; (2) adding a call to action title; (3) having a detailed meta description; (4) making use of heading tags to emphasize important text; (5) including words in URLs instead of numbers and letters; and (6) adding an Alt attribute for describing images. (Search Engine Land, 2018).

The tool used was HTML. To access its impact, the organic traffic to the website was measured before and after the changes. The optimization of the search engine did not increase the organic traffic to the website and did not generate acquisitions - **H3** was not confirmed (Figure 11).

FIGURE 11: VALIDATION BOARD FOR H3 (Source: Own analysis)

| Hypothesis | Experiment | MSC | Results | Confirmed |
|--------------------------------------|--|-------------------------------|--|-----------|
| H3 Search engine optimization | Developing six key aspects of the LP, making use of HTML | Acquire 1 new user through LP | 0 users acquired; No change in traffic | NO |

Job search websites. From the main job search websites mentioned above (Figure 2) only Indeed and Net-Empregos allow free job postings and so were used for the purpose of the tests.

Indeed is proven to be useful to acquire users. One job post is clicked up to 90 times and has up to 30 applications, which clearly surpasses the minimum success criterion of one user acquired per post.

Net-Empregos was tested in a similar way, achieving a result of 10 users acquired. Although the acquisition rate was not as high, it is proven effective to get users - **H4** is confirmed.

A second and third cycle of experiments were conducted to test **H4.1a**, **H4.1b**, **H4.2a**, and **H4.2b**, aiming to find the most effective channels of acquisition and content format.

Both cycles were performed at once. The test was designed to include two different posts. The first post was generic and had no reference to Tuki, only mentioning the job offer (Appendix 8). The second post was a community advertise, promoting Tuki and the community lifestyle (Appendix 9).

Each post included three possible ways of enrolling: email, landing page or form. The experiment

was performed in both job search websites, Indeed and Net-Empregos.

It was found that the community advertise is more effective than the alternative, with 3.7 times more enrollments than job posts. (Figure 12). Thus, **H4.1b** is failed to be proven while **H4.1a** is confirmed.

The results also show that people prefer to enroll through email when it comes to job searching websites, refuting **H4.2b**. The latter is motivated by the fact that the websites have an integration that facilitates sending the email directly from the platform, with a previously uploaded CV. Between the landing page and the form, the form is preferred, rejecting **H4.2a**.

In brief, job search websites are effective to acquire users, that prefer community advertises to job posts and favor email enrollment (Figure 12).

FIGURE 12: VALIDATION BOARD FOR H4 (Source: Own analysis)

| Hypothesis | Experiment | Minimum Success Criteria | Results | Confirmed |
|--|---|---|--|-----------|
| H4 Job searching websites | Post on both job search websites | Acquire 1 new user per post | 30 acquired on Indeed; 10 acquired on Net-Empregos | YES |
| H4.1a Job search websites are effective to acquire users through comm. ads | Community advertise on job search websites | Acquire 1 new user through community ad | 37 acquired | YES |
| H4.1b A job post acquired more users than a community advertise | A/B test job post vs community advertise on job search websites | Acquired from job post > Acquired from community ad | 10 acquired from job post; 37 acquired from community ad | NO |
| H4.2a Users prefer to convert through the landing page rather than through the form | Post with 3 enrollment options: email, form and LP | Acquired from LP > Acquired from form | 0 acquired LP; 18 LP clicks; 9 acquired through the form | NO |
| H4.2b Users prefer to convert through the form rather than email | | Acquired from form > Acquired from email | 9 acquired from form vs 28 from email | NO |

Facebook groups. For the present experiment, a job post was made on different Facebook groups to test **H5**, which was proven to be successful, with more than 5 users acquired per post. The Facebook groups chosen for the experiment were groups destined to job search, some specialized in the food industry, others for all types of jobs, but all constrained to the Lisbon area (Appendix 10).

All tests were performed in both large job searching FB groups (>5000 users) and smaller groups for industry workers only. There is no evidence that one outperforms the other, both should be used.

Just as before, two cycles of experiments followed to test **H5.1a**, **H5.1b**, **H5.2a**, and **H5.2b**, with two different posts (Appendices 11 & 12) and three possible ways to enroll: form, email and landing page. **H5.1b** was proven to be true, with job posts having 4 times more enrollments than community advertises. Nevertheless, it was possible to acquire users with both posts, suggesting that **H5.1a** is confirmed. When it comes to Facebook groups, people prefer to enroll through the form than through

email or landing page, hence **H5.2a** is proven false and **H5.2b** is verified (Figure 13).

In the third cycle of the experiment, a new test was created to assess **H5.1c** and **H5.1d**. It was done by posting the 3 different ad designs (ad with video, image or only text) on Facebook groups with similar characteristics, at the same time (Appendix 13). The results were not significant given that there were no users acquired with any of the posts, hence it is not possible to reach a conclusion.

FIGURE 13: VALIDATION BOARD FOR H5 (source: Own analysis)

| Hypothesis | Experiment (Cycle 1, 2 & 3) | Minimum Success Criteria | Results | Confirmed |
|--|--|--|---|-----------|
| H5 Facebook groups | 5 identical posts in different sized FB groups | Get 1 user in at least 3 groups | 11 users acquired from 4 different groups | YES |
| H5.1a FB groups are effective to acquire users through community ads | Community advertise on Facebook groups | Acquire 1 new user through community ad | 2 new users | YES |
| H5.1b A job post acquires more users than a community advertise | A/B test job post vs community ad on FB groups | Users acquired from job post > Users acquired community ad | 8 acquired from job post; 2 acquired community ad | YES |
| H5.2a Users prefer to convert through the landing page rather than through the form | Post with 3 enrollment options: email, form and LP | Users acquired from LP > Users acquired from form | 0 acquired from LP; 10 acquired from form | NO |
| H5.2b Users prefer to convert through form rather than email | | Users acquired from external form > Users acquired from email | 10 acquired from form; 0 acquired from email | YES |
| H5.1c A post with a video acquires more users than a post with an image | 3 post's design (video, image, and only text) | Users acquired from post video > Users acquired post image | Data not significant | NO |
| H5.1d A post with an image acquires more users than a post only with text | | Users acquired from post image > Users acquired post only text | Data not significant | NO |

Overall, FB groups are effective to acquire users, both through community ads and job posts, although job posts are preferred. The form seems to be the only successful channel of acquisition.

Facebook advertising. This paid tactic is considered effective if the user acquisition cost is below 5€, which is the return one can get per user acquired¹⁷.

The ads were placed automatically, according to Facebook's delivery system that distributes the ads across multiple platforms and formats, based on the best placement for the defined audience.

In the first cycle, the goal of the experiment was to send the maximum amount of people to the landing page and track how many users enrolled through the embed form. The reached was 22,324, with 276 link clicks and 173 landing page views, at a cost of 0.37€ per view (Appendix 15).

A/B testing was set to compare two ad sets: ad set A as the community ad and ad set B as the job post (Appendix 16). The ad set A performed generally better than the job advertising, with 11% more

¹⁷ Currently, Tuki's activation rate is 1% - from the 500 users acquired in the last 6 months, 5 were successfully hired. Given the revenue model, one can say that the value created by each additional user is 500€ times 1% of the users acquired, plus the revenue earned from shift swaps (there were no shift swaps yet, hence are not considered), resulting in a lifetime value of at least 5€ (the value may increase when the company starts charging the fee of 2€ per shift swapped).

landing page views, 24% more link clicks¹⁸ and lower cost per result, refuting **H6.1a** (Appendix 17).

The most powerful feature of Facebook ads is the possibility to custom in detail the target audiences.

The campaign targeted people living in Lisbon, who speak Portuguese, distinguishing between university students, industry workers, and artists (Appendix 14). Industry workers were the segment with the most reach¹⁹, while Artists were the least. It was found that audiences respond differently to the ad sets, thus **H6.1b** is refuted. While Artists and Workers prefer ad set A²⁰, Students prefer ad set B²¹ (Appendix 18). Despite the usefulness of the test to determine audiences and ad content, there were no enrollments, hence no users acquired and **H6** is refuted.

The second cycle of experiments compared the effectiveness of an ad driving traffic to the landing page, with the one of an ad driving traffic directly to the external link form through FB sign-up button. The experiment delivered ad set A to the 3 target audiences at the same time. Link clicks were 73% higher for the ad promoting the sign-up button, leading to a cost per link click almost three times lower (Appendix 19). There were two acquisitions via Facebook and none from the landing page. Thus, the conversion rate²² was 3.85% for the former and 0 for the latter, which confirms **H6.2a**. The user acquisition cost of the experiment was 5.97€²³, higher than the threshold of 5€, so **H6** is not confirmed (Figure 14).

In sum, Facebook advertising is useful to create awareness and reach potential users but not to acquire users, at least while the activation rate is 1%. Should the activation rate increase to at least 1,5%, H6 would be verified and FB Ads ought to be used.

FIGURE 14: VALIDATION BOARD FOR H6 (source: Own analysis)

| Hypothesis | Experiment | Minimum Success Criteria | Results | Confirmed |
|--|---|---|--|-----------|
| H6 Facebook advertising | Ad campaign redirecting to LP, with A/B test job post vs community ad, targeting 3 segments | Acquisition cost < 5€ | Acquisition cost of 5,97€. | NO |
| H6.1a A job post will get more enrollments than a community advertise | | Users acquired job post > Users acquired community ad | 0 acquired; 82 LP views job post; 91 LP views community ad | NO |
| H6.1b A job post acquires more | | Users acquired job post > Users acquired | 0 acquired; LP views per seg- | NO |

¹⁸ Link clicks refer to the number of clicks in the ad that led to the landing page while landing page views require a successful loading of the destination webpage

¹⁹ Results are reflected in cost per landing page view - lower for Industry workers (0.43€) than students (1.04€) and Artists (2.22€).

²⁰ Based on landing page views

²¹ The rationale could be that the first 2 groups will remain in the industry and would benefit from being part of a community whereas students are looking for transitional job offers.

²² The conversion rates corresponds to the number of users that enrolled in proportion to the number of users who clicked on the link

²³ In the second cycle of the experiment, the spent was 11.96€ and 2 users were acquired

| | | | | |
|--|--|--|--|-----|
| users than community advertises, regardless of the target audience | | community ad for all segments | ment per type of ad (job;com): Artists (7;14), Workers (56;61), Students (19;16) | |
| H6.2a Users prefer to convert through the FB sign-up button than through LP | Campaign A/B testing LP vs FB sign-up button | Conversion FB sign-up button > Conversion LP | Conversion rate of 0 for LP and 3.85% for FB sign-up button | YES |

6. Recommendations

The purpose of the Work Project was to find the most effective tactics for user acquisition for a startup web service and answer the question ‘What tactics are effective in acquiring job seekers in order to grow the user databases?’. The aim of the section is to present a plan of action that implements the key learnings from the project, with the purpose of acquiring users for Tuki, balance the platform and grow the business.

From experimentation, one can derive two main findings. Firstly, job search websites and Facebook Groups are effective tactics for user acquisition. Secondly, users value the existence of a community offering work flexibility. Lastly, the preferred channels of acquisition vary with the tactics.

Acquisition plan. Figure 15 describes a detailed plan for user acquisition, that is in line with the current cost structure, and defines which tactics to use for acquisition, whom to acquire and how to persuade users with an effective value proposition (Blank, 2012). It ought to be implemented in January 2019 and last for 4 months. The tactics should be implemented simultaneously, following the examples of the posts presented (Appendices 8, 9, 11 and 12). The only cost driver to consider is the cost with the community manager that will implement the plan. The community manager is already in control of all activities within the funnel, hence no incremental costs will occur.

FIGURE 15: ACQUISITION PLAN (source: Own analysis)

| FIGURE 15.7 ACQUISITION PLAN (Source: Own analysis) | | | | | |
|---|--------------------------------------|---------------------|------------------------|-----------------|--|
| Tactics for Acquisition | Frequency | Value Proposition | Channel of acquisition | User Segments | Goal |
| Job Search Websites (Indeed And Net-Empregos) | 2 posts per week on Indeed | Community advertise | Email and landing page | All job seekers | 10 users acquired per post ~300 users acquired in 4 months 30 active users in 4 months |
| | 2 posts per week on Net-Empregos | Community advertise | | | 6 users acquired per post ~200 users acquired in 4 months 20 active users in 4 months |
| Facebook Groups (Any Groups of Job Search) | 2 posts per week on different groups | Job post | Form and landing page | | 8 users acquired per post ~500 users acquired in 4 months 50 active users in 4 months |
| | 2 posts per week on different groups | Community advertise | | | |
| IMPACT: 1000 users acquired; 100 users activated; 8200€ incremental revenue | | | | | |

The goal is to get 1,000 users in four months and convert them into 100 active users, with an acquisi-

tion cost of 0. Given that restaurants request on average 2 on-demand workers per week (Tuki Internal data, 2018) and assuming each worker to be willing to work on-demand once a week, 100

active users would allow Tuki to work with at least 50 restaurants and receive 200€ a week, 2€ per shift swap. The incremental impact in revenue in 4 months will be 3,200€, from shift swaps only. Additionally, the recruitment service side of the business will grow, due to the increase in the number of customers and the pool of talent (users). Assuming that 1% of the users gets hired by the restaurants (as of now), it can be expected an extra 5,000€ in revenue, given the fee of 500€ per hire.

Growing the user database will create great value for Tuki, given the possibility of serving more customers, increase considerably the revenue and show traction to potential investors. Scaling acquisition is not only essential for the business, but it will help Tuki building a self-sustainable business.

To reach the goal, the company will be making use of the two best free acquisition tactics, job search websites, and Facebook groups. The previous should be leveraged with community ads (promoting flexibility and on-demand work) while the latter should employ both job posts and community ads²⁴. The posts on job search websites should be done on non-consecutive days to increase visibility and reach²⁵. The best channel for acquisition on job search websites is email, the form is preferred on Facebook groups. In addition, the posts should include the link to the landing page, to create awareness and provide further information about the service.

After the defined timeline, Tuki should weight the results, adjust the plan if necessary and continue to apply the acquisition tactics accordingly. As soon as the startup increases the activation rate, Facebook advertising should be used to scale the user base and the business.

Key performance indicators. There are several performance measures that evaluate how effectively Tuki is acquiring users. First, there is the evident user acquisition rate and the conversion rate. The number of active users is relevant to track if users are using the funnel. Lifetime value of a user is

²⁴ Even though job posts work best, community ads are also proven to work and are more relevant to create brand awareness and spread Tuki's value proposition
²⁵ From experimentation, there is no clear result on the best days for posts. It could be tested in the future by posting the exact same post in the same platform on different days and different hours

helpful to determine how much to invest in customer acquisition, once there is budget for it. For an eventual Facebook ad campaign, the most relevant KPI's will be user acquisition cost and cost per click/cost per impression.

Activation plan. Acquisition must be accompanied by a clear activation plan, in order to deliver the desired goals (Blank, 2012). Activation gets users to 'identify themselves' and take a step further into the funnel (Blank, 2012). For the startup, user activation starts after having received the initial contact information from the user. A user is active when goes through the activation funnel and enters the database (Appendix 20). A user activation rate of 10% will be achieved by implementing a process of automated emails, minimizing the losses along the funnel (Figure 16). The activation plan makes the process of selection and placement more efficient, providing the community manager more time to dedicate to the acquisition.

FIGURE 16: ACTIVATION PLAN (source: Own analysis)

| Automated Emails | 1.Follow-up initial contact information submission | 2.Follow-up submission of extended form with additional info | 3.Follow-up phone interview |
|------------------|---|--|--|
| Goal | Start relationship w/ user + ask for additional info | Schedule phone interview | Feedback and schedule a personal interview |
| Content | Provide additional information on Tuki and the service, as well as request professional information about the user (with extended form) | Welcoming message, present next steps in the process and ask availability for a phone call | Thank you message, present next steps in the process and ask availability for a personal interview |
| Tools | SendGrid (already owned by Tuki) to be used to create automated lists, to build and send emails automatically after defined trigger; Typeform | | |

Preceding this project, it is fundamental to test and implement the best practices for user activation, as well as user retention and referral, the coming steps along the funnel. Figure 17 describes the new Business Model after the validation of customer relationships.

FIGURE 17: BUSINESS MODEL CANVAS AFTER CUSTOMER RELATIONSHIPS VALIDATION (source: Own analysis)

| | | | | |
|---------------------------------------|--|---|---|---|
| Key partners To be defined. | Key activities Account management: <ul style="list-style-type: none"> Support with the app and collecting feedback Checking needs for recruitment and on-demand staffing User acquisition: <ul style="list-style-type: none"> Job posts and posts promoting Tuki and the community Posts on Indeed, Net-Emprego and various Facebook groups of job seekers User activation: <ul style="list-style-type: none"> Contact users moving through funnel Phone and personal interviews | Value proposition For users: <ul style="list-style-type: none"> Work flexibility; Wide community of food industry workers; Help to find temporary jobs and punctual shifts. A shift at the distance of a click on your phone. For customers: <ul style="list-style-type: none"> Time-saving solutions for restaurants management with recruitment services plus scheduling features; Shift coverage and management; Solves common worker shortages and allows to implement on-demand jobs; Innovative and easy-to-use technology, that simplifies restaurant management. | Customer relationships Building strong, long-lasting relationships with restaurants, creating a trust network. User acquisition through job search websites and Facebook groups Automated process for user activation to convert jobs eekers into users Promoting the concept of community creates customer and user retention and encourages referrals. | Customer segments Restaurants in Lisbon with more than 5 employees that work in shifts User Segments Job seekers living in Lisbon, between 20-35 years old, Facebook users, tech-fluent. Earning on average 1000€ or less per month Segments divide into <ul style="list-style-type: none"> Industry workers (at least 2 years of experience) Artists Students |
|---------------------------------------|--|---|---|---|

| | | | | |
|--|--|---|--|--|
| | Key resources The team: creative and proactive with complementary skills and knowledge in different areas. Financial resources are scarce and a current concern. User database of job seekers, temporary workers and on-demand workers | | Channels New customers are found within team's and restaurants' networks. Users are found in job search websites and Facebook groups and acquired by email or via typeform. Landing page provides information and creates awareness. Automated emails are used to engage and activate users. | |
| Cost structure Human resources; Software development. | | Revenue streams For on-demand workers: Shift swap fee of 2€ per shift, charged to restaurants; For restaurant workers: Monthly fee of 2€ per worker in the app, charged to restaurants; Recruitment service (250€ per successful hire recommended by Tuki, charged to restaurants). | | |

7. Limitations

Time. The project was developed in three months, constraining length of experiments and number of cycles of experimentation. One day, further cycles may strengthen findings and reveal new insights.

Budget. The limited budget restricted the experiment of further paid tactics. Moreover, it constrained the dimensions that could be tested with Facebook Ads. As the company increases revenue, it should invest in testing ad creativity, features, touch points, more audiences, and timing.

Sample Size. One more limitation is the small size of the data samples, affected by the short length of the tests. As it implements the plan of action, Tuki should keep tracking metrics and user responses, to prove the veracity of the findings and keep optimizing the acquisition plan.

Technical knowledge. Search engine optimization and the landing page presented were constrained by the limited capabilities in web development, while Facebook campaign targeting may have been hindered by the choice of target audiences. Investing more in the best responsive audiences (in this case Industry workers), may lead to better results and lower acquisition costs.

Content. All experiments may have been limited by the type of content posted, wording, post design, landing page design and the current audience of the social media channels.

Timing Factors such as time of the posts and days of the week chosen may have influenced the results. The optimal timing can be tested in the future with Facebook Ads.

Value-added for Tuki as a startup. Given the fast-changing environments of startups, recommendations have a short lifespan - some may have already been adopted or no longer make sense to the business. Hence, the implementation plan should be constantly tested and responsive to change.

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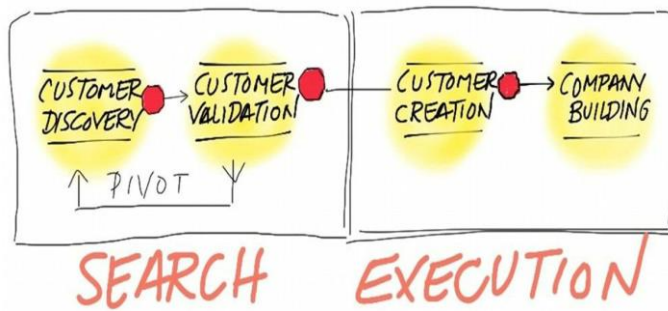
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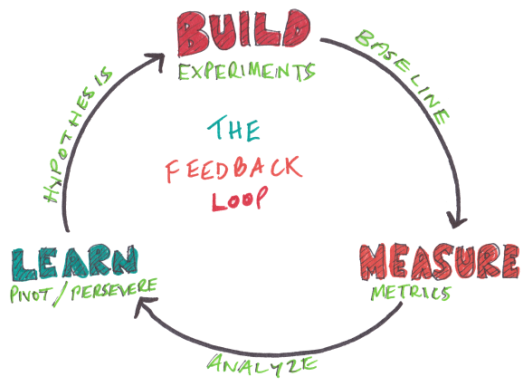
²⁶ All figures have as source ‘own analysis’ if not stated otherwise

APPENDIX 1: CUSTOMER DEVELOPMENT PROCESS



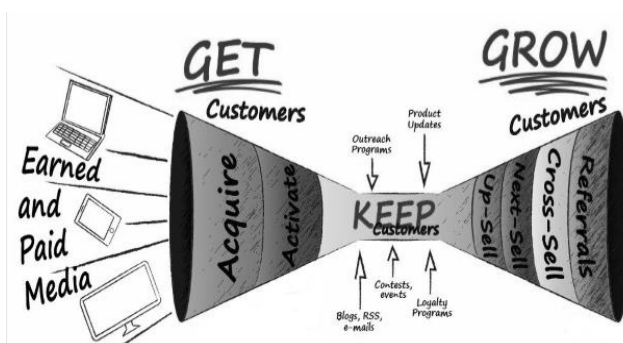
Source: Blank, 2012

APPENDIX 2: BUILD-MEASURE-LEARN FEEDBACK LOOP



Source: Blank, 2012

APPENDIX 3: “GET, KEEP AND GROW” CUSTOMER FUNNEL

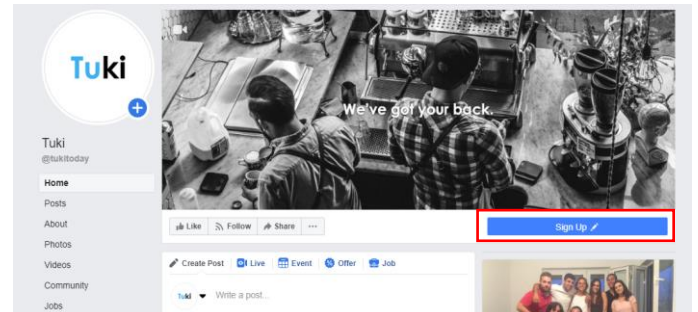


Source: Blank, 2012

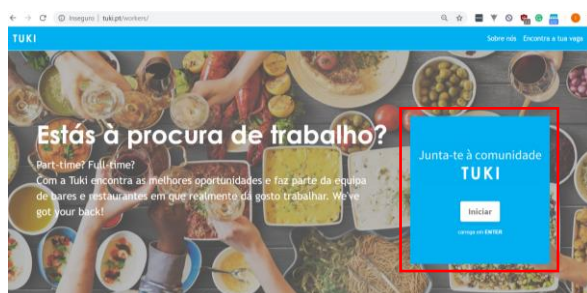
APPENDIX 4: CHANNELS OF ACQUISITION

(1) External form link (PT);

(2) Facebook sign-up button (redirecting to external form link (1))



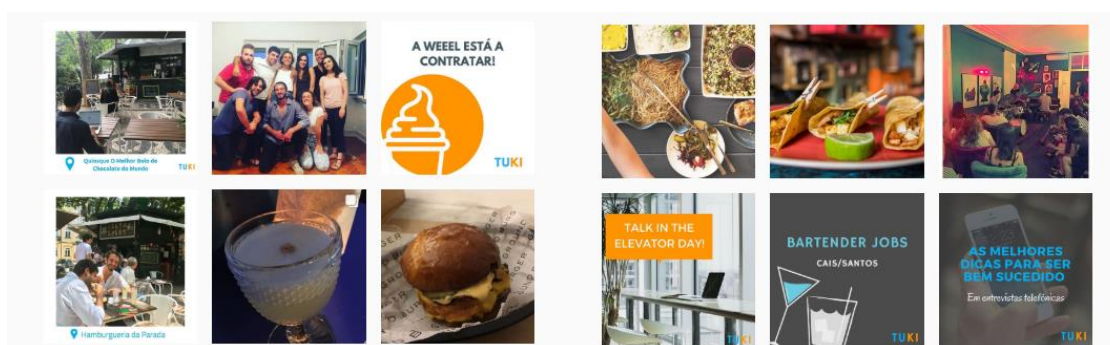
(3) Embed form at the landing page (PT)



APPENDIX 5: PUBLICATIONS ON FACEBOOK, LINKEDIN AND INSTAGRAM



APPENDIX 6: IMAGES PUBLISHED ON FACEBOOK, LINKEDIN AND INSTAGRAM (TIMELINE)



APPENDIX 7 OWNED MEDIA CALENDAR

| July/ August | | | | | | |
|--------------|------|------|------|------|----|----|
| S | M | T | W | T | F | S |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| Daily posts | | | | | | |
| 29 | 30 | 31 | 1 | 2 | 3 | 4 |
| | Post | | Post | | | |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Daily posts | | | | | | |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| | | Post | | Post | | |

APPENDIX 8 JOB POST FOR JOB SEARCH WEBSITES

We are recruiting waiters for burger place in Oeiras.
Apply now: [external link], find out more at tuki.pt/workers

APPENDIX 9: COMMUNITY ADVERTISE FOR JOB SEARCH WEBSITES

Tuki helps you find the best opportunities in the food industry.
With Tuki, work whenever you want, wherever you want, and part
of a large community of workers. Apply now: [external link], find
out more at tuki.pt/workers

APPENDIX 10: FACEBOOK GROUPS OF JOB SEARCH (>1000 USERS)

| | |
|---------------------------------------|-------------------------------|
| O mundo da restauração | Emprego Lisboa |
| Emprego em Lisboa e arredores (PT) | Emprego em Lisboa e arredores |
| Empregos em Lisboa e margem sul | Emprego em Lisboa |
| Ofertas de emprego em Portugal Lisboa | Bartenders PT |
| Part-time Lisboa | Emprego Restauração |
| Vagas de Emprego em Lisboa | Só ofertas de emprego Lisboa |

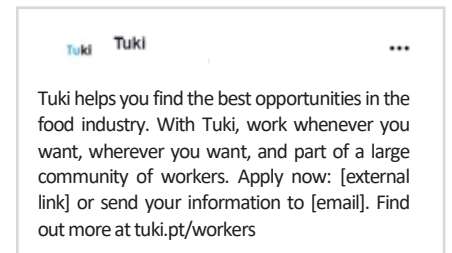
APPENDIX 11: JOB POST FOR FACEBOOK GROUPS



APPENDIX 12: COMMUNITY ADVERTISE POST FOR FACEBOOK GROUPS



APPENDIX 13: AD DESIGNS: VIDEO VS IMAGE VS ONLY TEXT



APPENDIX 14 FACEBOOK TARGET SEGMENTS DEFINITION

| Target Segment | Criteria | Filters on FB Ad Manager |
|---------------------|---|--|
| University students | Targeted based on education level and age range | 'in college'; 'between 18 and 25' |
| Industry workers | Targeted based on job titles, interests or industry | 'Bartender Server', 'Food and Beverage Server' 'Restaurant Server'; interests = 'Restaurants', 'Food and Drinks' and 'Bars'; industry = 'Food and Restaurants' |
| Artists | Targeted based on industry or interests | 'Arts, Entertainment, Sports and Media'; 'Arts' |

Source: Facebook Ads Manager, 2018

APPENDIX 15: FACEBOOK CAMPAIGN, RESULTS PER SEGMENT AND TOTAL

| Campaign Name | Results | Reach | Impressions | Cost per Result | Amount Spent | Link Clicks | Landing Page Views | Cost per Landing Page View |
|--|---------------------------|------------------|-----------------|----------------------------|-----------------------|--------------|--------------------|----------------------------|
| Industry workers | 117 Landing Page Views | 10,506 | 16,579 | €0.21 Landing Page View | €25.08 | 158 | 117 | €0.21 |
| Artists | 21 Landing Page Views | 4,380 | 16,609 | €0.99 Landing Page View | €20.77 | 54 | 21 | €0.99 |
| University Students | 35 Landing Page Views | 7,458 | 21,157 | €0.51 Landing Page View | €18.02 | 64 | 35 | €0.51 |
| Total Results 3 / 3 rows displayed | 173 Landing Page Views | 22,324 People | 54,345 Total | €0.37 Landing Page View | €63.87 Total Spent | 276 Total | 173 Total | €0.37 Per Action |

Source: Facebook Ads Manager, 2018

APPENDIX 16: AD SET A AND AD SET B

Ad set A



Ad Set B



Source: Facebook Ads Manager, 2018

APPENDIX 17: FACEBOOK CAMPAIGN, A/B TESTING RESULTS

| | Results | Reach | Impressions | Cost per Result | Amount Spent | Ends | Relevance Score | Frequency | Unique Link Clicks | Link Clicks | Landing Page Views |
|----------------------------|----------------------|------------------|-----------------|--------------------------|-----------------------|------|-----------------|--------------------|--------------------|--------------|--------------------|
| Ad set A (Community ad) | 91 Landing Pag... | 10,984 People | 27,234 Total | €0.35 Per Landing ... | €32.00 Total Spent | | | 2.48 Per Person | 147 Total | 153 Total | 91 Total |
| Ad set B (Job Post) | 82 Landing Pag... | 11,400 People | 27,111 Total | €0.39 Per Landing ... | €31.87 Total Spent | | | 2.38 Per Person | 123 Total | 123 Total | 82 Total |

Source: Facebook Ads Manager, 2018

APPENDIX 18 FACEBOOK CAMPAIGN, A/B TESTING PER SEGMENT

| Campaign Name | Ad Set Name | Results | Reach | Impressions | Cost per Result | Amount Spent | Link Clicks |
|---------------------------------------|-----------------|---------------------------|------------------|-----------------|-----------------------------|-----------------------|--------------|
| Industry workers | All | 117 Landing Page Views | 10,506 | 16,579 | €0.21 Landing Page View | €25.08 | 158 |
| | Ad Set for Ad B | 56 Landing Page Views | 5,158 | 8,313 | €0.22 Landing Page View | €12.54 | 65 |
| | Ad Set for Ad A | 61 Landing Page Views | 5,348 | 8,266 | €0.21 Landing Page View | €12.54 | 93 |
| Artists | All | 21 Landing Page Views | 4,380 | 16,609 | €0.99 Landing Page View | €20.77 | 54 |
| | Ad Set for Ad A | 14 Landing Page Views | 2,216 | 8,545 | €0.75 Landing Page View | €10.50 | 33 |
| | Ad Set for Ad B | 7 Landing Page Views | 2,164 | 8,064 | €1.47 Landing Page Views | €10.27 | 21 |
| University Students | All | 35 Landing Page Views | 7,458 | 21,157 | €0.51 Landing Page View | €18.02 | 64 |
| | Ad Set for Ad B | 19 Landing Page Views | 4,003 | 10,734 | €0.48 Landing Page View | €9.06 | 37 |
| | Ad Set for Ad A | 16 Landing Page Views | 3,448 | 10,423 | €0.56 Landing Page View | €8.96 | 27 |
| Total Results 9 / 9 rows displayed | | 173 Landing Page Views | 22,324 People | 54,345 Total | €0.37 Landing Page View | €63.87 Total Spent | 276 Total |

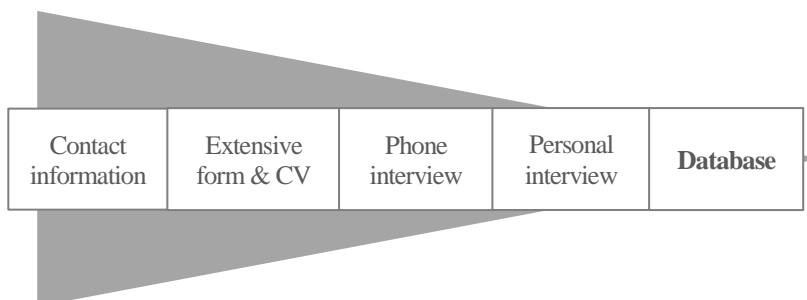
Source: Facebook Ads Manager, 2018

APPENDIX 19 FACEBOOK CAMPAIGN, LANDING PAGE VS FACEBOOK SIGN-UP BUTTON

| Campaign Name | Results | Reach | Impressions | Cost per Result | Amount Spent | Link Clicks | Landing Page Views |
|--|--------------------------|-----------------|-----------------|----------------------------|-----------------------|-------------|--------------------|
| [09/10/2018] Promoting https://tuki.pt/workers... | 19 Landing Page Views | 5,170 | 6,779 | €0.63 Landing Page View | €11.98 | 30 | 19 |
| [09/10/2018] Promoting Sign Up | 52 Link Clicks | 4,002 | 7,791 | €0.23 Link Click | €11.94 | 52 | — |
| Total Results 2 / 2 rows displayed | — | 8,692 People | 14,570 Total | — | €23.92 Total Spent | 82 Total | 19 Total |

Source: Facebook Ads Manager, 2018

APPENDIX 20: ACTIVATION FUNNEL



References

Blank, S. (2012). The Startup Owner's Manual. In S. Blank, *Customer Development Process*. K & S Ranch.

Facebook Ads Manager. (2018). Retrieved from facebook.com/adsmanager